

Baucus wants \$50 billion increase for CHIP

By MARY CLARE JALONICK - Associated Press Writer - 03/07/07 – (Helena IR)

WASHINGTON — The chairman of the Senate Finance Committee said Tuesday that he is pushing for an additional \$50 billion over five years for a health care program that insures millions of children.

That would bring overall spending to \$75 billion — more than double what the administration is proposing.

Democratic Sen. Max Baucus of Montana said that would be enough to cover children who are eligible for the State Children's Health Insurance Program, but not enrolled. That would be about 6 million additional children, doubling the number of people covered by the program.

"We have to find a way to pay for it," Baucus said after a speech at the National Press Club.

The program expires Sept. 30, and states have complained that they don't have enough money to continue paying for it. Baucus has said reauthorization of the program is his top priority on the committee.

States use the money, along with their own dollars, to subsidize health coverage for families with incomes too high to qualify for Medicaid, but too low to afford insurance through the private sector.

The government now allocates \$5 billion a year for the program, and the administration has called for an additional \$4.8 billion over five years. The White House contends there is also about \$4 billion not spent during the program's first 10 years that could be carried over.

Democrats say the need is at least \$12 billion over five years to cover those who are currently enrolled. The program this year faces a nearly \$750 million shortfall.

Interest groups and trade associations are lobbying for a major expansion of the program as a way to reduce the ranks of the uninsured, now estimated at 46.6 million.

The program, with a \$40 billion budget over 10 years, enrolls about 640,000 adults. Baucus indicated that he would not try to eliminate coverage for adults who currently use the program, as some have suggested.

"I don't think we should increase the number of uninsured," he said.

The top Republican on the Finance Committee, Iowa Sen. Charles Grassley, has said he believes the program should be just for children. He has also expressed concern about how Congress would pay for expanding the program.

Baucus said he doesn't yet know where the money will come from.

"We will find a way," he said.

Democratic leaders have said they may add money to an upcoming war spending bill to help states cover temporary shortfalls under the program. Baucus said that is still a possibility.

Also Tuesday, Two House Republicans introduced a bill designed to cover this year's shortfall. Texas Rep. Joe Barton, the top Republican on the House Energy and Commerce Committee, and Georgia Rep. Nathan Deal said their bill would patch up holes in the current program and crack down on overspending in some states.

The legislation would only pay for low-income children and pregnant women below 200 percent of poverty.

"SCHIP isn't for the rich, it's for the poor, and coverage goes to people whose family incomes are no more than twice the poverty level," Barton said in a statement.